State of New Mexico Submit 3 Copies Energy, Minerals and Natural Resources Department to Appropriate District Office Revised 1-1-89 OIL CONSERVATION DIVISION DISTRICT I WELL API NO. P.O. Box 1980, Hobbs, NM 88240 RECEIVED P.O. Box 2088 30-015-26290 DISTRICT II Santa Fe, New Mexico 87504-2088 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease FEE X MAY -2 '90 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 O. C. D. SUNDRY NOTICES AND REPORTS ON WELLS ( DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUGABRES/AT CORFICE 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: John AGU WELL X OTHER 2. Name of Operator 8. Well No. YATES PETROLEUM CORPORATION 3. Address of Operator 9. Pool name or Wildcat 105 South 4th St., Artesia, NM 88210 Und. No. Dagger Draw Upper Penn 4. Well Location North 1980 Feet From The West Feet From The Line and Unit Letter Line 24E Eddy Section Township Range County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3617' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON **CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB **PULL OR ALTER CASING** OTHER: Production Csg, Perforate, Treat OTHER: 12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. TD 9570'. Reached TD 4-17-90. Ran 234 jts 7" 23# and 26# casing as follows: 49 jts 26# N-80 LT&C, 21 jts 26# J-55 LT&C, 14 jts 23# N-80 LT&C, 1 jt 26# N-80 LT&C, 9 jts 23# N-80 LT&C, 80 jts 23# J-55, LT&C, 55 jts 23# N-80 L&TC, and 5 jts 26# N-80 LT&C, casing set 9570'. Float shoe set 9570', float collar set 9530'. DV tool set 6117'. Marker joints 7571'. Cemented 1st stage w/1000 g. Superflush 101, 990 sx C1 H w/5#/sx salt, .4% Halad 22-A, .3% CFR-3 and 5#/sx Gilsonite (yield 1.18, wt 15.6). PD 6:15 PM 4-19-90. Circulated 75 sx. Circulated thru DV tool 1-3/4 hrs. 2nd Stage: w/1200 sx Lite w/1/2#/sx Flocele and 5#/sx Gilsonite (yield 1.84, Tailed in w/100 sx Cl H Neat (yield 1.18, wt. 15.6). PD 9:30 PM 4-19-90. WOC. Note: Circulated 100 sx on 2nd stage.

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Drilled out DV tool. Perforated 7651-7785' w/26 .42" holes as follows: 7651, 52, 53, 57, 58, 59, 90, 91, 7715, 17, 19, 21, 23, 41, 43, 44, 46, 47, 49, 77 79, 81, 83 and 7785'. Spot acid across perfs. Straddled all perforations 7651-7785' and acidized w/2000 gals 20% NEFE acid and ball sealers.

I hereby certify that the information above in frue and complete to the best of my knowledge and belief.

SIGNATURE JUDICIA WOLLD TITLE Production Supervisor DATE 5-1-90

TYPEOR PRINT NAME JUDICIA GOODLET TELEPHONE NO. 505/748-1471

(This space for State Use) ORNGINAL SIGNED BY

(This space for State Use)

ORYGINAL SIGNED BY

MIKE WILLIAMS

SUPERVISOR, DISTRICT IF TITLE

DATE